SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Papua New Guinea	Project Title:	Health Services Sector Development Program
Lending/Financing Modality:	Sector loan	Department/ Division:	Pacific Department/ Urban, Social Development and Public Management Division

I. POVERTY ANALYSIS AND STRATEGY

Targeting classification: non-income Sustainable Development Goals (TI-SDG3)

A. Links to the National Poverty Reduction Strategy and Inclusive Growth Strategy, and Country Partnership Strategy

The Papua New Guinea (PNG) Vision 2050 aims to achieve inclusive economic growth by transforming the economy, improving infrastructure, and enhancing human development.[a] Vision 2050 identifies a healthy population as a driver of development, and calls for better health care services. The Asian Development Bank (ADB) country partnership strategy, 2016–2020 for PNG identifies health as a priority area for assisting the Government of PNG in converting its resource wealth into higher human capital to drive inclusive and sustainable economic growth.[b]

The Health Sector Services Development Program (SDP) will significantly contribute to poverty reduction, given that the health of women and men is directly linked to their human capital development, and productive capacity. Poor health (i) impedes individuals' opportunities for education and training, and their productive potential; (ii) prevents individuals from earning a decent income; and (iii) especially among women, contributes to high maternal and infant mortality, and poor human capital development in children. Better access to health care services will reduce the burden of disease. The proposed program will significantly improve the health and economic circumstances of PNG's largely rural population.

B. Results from the Poverty and Social Analysis during Transaction Technical Assistance or Due Diligence

1. **Key poverty and social issues**. Evidence from the 1996–2010 Household Income and Expenditure Survey suggests that, despite more than 11 years of sustained high average rates of economic growth, poverty did not decline between 1996 and 2010. The national poverty rate remains at about 37%,[c] and health outcomes have either stagnated or deteriorated.[d] PNG has an estimated population of 8 million. It has the lowest life expectancy in the Pacific region, and did not achieve the maternal and child health Millennium Development Goals in 2015.[e] Health indicators vary significantly across the 22 provinces, such as 15% of births supervised in Southern Highlands Province in 2016 compared with the national average of 40%. PNG has the fourth-highest rate of stunting in the world, a condition associated with chronic malnutrition.[f]

Access to health services is limited for the nearly 90% of people who live in rural areas because of poor roads, and either non-existent or expensive transport, whether by road or sea. Where access is possible, health infrastructure is often poor, the service quality low, or staff may be absent, and medicine and medical supplies are frequently out of stock. This discourages people from seeking treatment at health centers. About 60% of the burden of disease in PNG is from maternal and infant mortality, and communicable diseases. Women are particularly affected as those who bear children and have primary childcare responsibility in PNG. The proposed program's focus on improving health services will ensure benefits to the poor, and to women and children.

2. **Beneficiaries**. The primary project beneficiaries are men, women, and children who live in the rural parts of PNG. They will greatly benefit from better-quality health services and infrastructure of newly constructed district health facilities. Also, potential beneficiaries will include sick people, elderly, pregnant women, sick children, and those with special needs requiring basic and life-saving medical attention but commonly cut off because of poor transport or because they live far away from the nearest equipped hospitals in the provincial centers.

Poor and vulnerable groups, their needs, demands, constraints, and capacity. The poor, and other vulnerable groups such as women and children, persons with disabilities, the elderly, and those requiring urgent or life-saving medical attention stand to benefit the most from the SDP. Better health services and infrastructure in remote areas will increase access to health services for the approximately 7 million people who live in rural areas. Consultations with key stakeholders identified the following concerns: (i) lack of basic medicine in the health center; (ii) irregular power and water supply in the health center; (iii) staff absenteeism and poor attitudes; (iii) costly, distant, and at times dangerous travel to access both basic and life-saving treatment from the provincial hospital.

3. **Impact channels – project Investment**. The construction of district health facilities with a confidential consultation area, gender and culturally appropriate delivery suites, and a well-equipped emergency facility among other facilities will improve rural people's health care and encourage access, preventing loss of lives among pregnant women, their babies, and sick children.

Strengthening of national framework and public financial management. This policy strengthening will safeguard fund allocations to ensure essential health service delivery, and other priority services during the current period of fiscal tightening. Project activities support capacity development, the generation of evidence for strategic health sector budgeting, including through the review of sector funding, top-down resource allocation approaches, and bottom-up basic service costings for different health facility levels in line with the PNG National Health Service Standards.

4. **Other social and poverty issues**. The SDP focuses on improving the annual planning, budgeting, and financial reporting capacity of the Department of Health (DOH) and the provincial health authorities (PHAs), and upgrading health infrastructure through the construction of district health facilities. This is to address concerns by rural people who expressed increasing vulnerability from declining health services, and poor facilities despite the much-publicized economic benefits from liquefied natural gas and other resources around the country. However, community leaders' concerns regarding continuous immigration, and its resultant social issues in the project sites (such as crime and proliferation of illegal drugs) are beyond the scope of the SDP. Development partners and government are currently preparing or implementing projects to address these concerns.

5. **Design Features**. The SPD is expected to achieve three key outputs: (i) efficient, effective, and long-term sustainable health service delivery; (ii) strengthening of processes, systems, and the capacity of PHAs to support subnational service delivery, improve health service delivery through timely procurement of medical supplies, and establishment of health sector partnerships; and (iii) establishment and use of health information systems and health facility infrastructure improvements. The SDP targets the achievement of Sustainable Development Goal 3, and aims to improve the health of the population, with poorer provinces and districts prioritized under the project investment component, where feasible.[g]

II. PARTICIPATION AND EMPOWERING THE POOR

1. **Participatory approaches and project activities**. Consultations were held with the government, the private sector, and community leaders and members in Biala, West New Britain. People consulted include (i) PHA representatives; (ii) local government officials such as the officer-in-charge of the health center, the village magistrate, and head teacher; (iii) private sector representative (Hargy Oil Palm Ltd management); (iv) church and community leaders and interested community members; (v) block holders and settlers; and (vi) women representatives. All consulted stakeholders strongly supported the project. They are very keen to see the Biala Health Center upgraded to a district hospital, including having proper staff housing next to the new district hospital.

2. In output 2, building sector partnerships with civil society (private sector, community and women's organizations) was identified as a key activity under the SDP, and civil society were widely consulted while preparing the program.

3. **Civil society organizations**. Consultation with community members and civil society organizations will continue during detailed design and construction to disseminate information, and to get feedback from stakeholders. Consultation will continue until project implementation as per gender action plan (GAP), program administration manual, and other social safeguard documentation.

4. The following forms of civil society organization participation are envisaged during project implementation, rated as high (H), medium (M), low (L), or not applicable (NA):

[H] Information gathering & sharing [H] Consultation [M] Collaboration [M] Partnership

5. **Participation Plan**. ☒Yes ☐ No – A participation plan for each site will be prepared during project implementation to ensure key stakeholders involvement, including participation by nongovernment organizations. The participation plan will adhere to ADB's disclosure policy and PNG national legislation on rights to information. A community stakeholder committee will also be established to provide regular feedback to all the key stakeholders, including the staff of local health facilities.

III. GENDER AND DEVELOPMENT

Gender mainstreaming category: effective gender mainstreaming

A. Key Issues

Poor and deteriorating health indicators in PNG are largely associated with women and their limited access to reproductive health services. Gender inequality in the country's health care system is demonstrated by (i) a high percentage of women with an unmet need for contraception (at least 50%);[h] (ii) a high maternal mortality ratio (215 per 100,000) and high infant mortality rate (43.8 per 1,000 live births) (endnote h); (iii) low rates of supervised deliveries in health facilities (40%);[i] (iv) limited skilled professionals supervising deliveries; and (vi) lack of proper postnatal care. Moreover, women and children in PNG endure shockingly high levels of family and sexual violence, with rates of abuse estimated to be some of the highest in the world outside a conflict zone.[j] Estimates suggest that 70% of women in PNG experience some degree of physical or sexual assault in their lifetime.[k]

The project will assist in tackling these issues through annual budget provision for essential reproductive health medicines for women giving birth, staff upskilling, supervision of births, gender-based violence awareness training, and upgrades to women-friendly health facilities. Also, 100% of maternal health workers in the project facilities will be trained on essential obstetric care, including intra- and post-birth observation and care. The upgraded health facilities will feature culturally appropriate delivery suites and a private consultation facility, and community-based promotion of family planning.

B. Key Actions. Measures included in the design to promote gender equality and women's empowerment—access to and use of relevant services, resources, assets, or opportunities and participation in decision-making process:

☒ Gender action plans ☐ Other actions/measures ☐ No action/measure

The program will promote efficient, effective, and long-term sustainable health service delivery for men and women in poor rural communities. A GAP was developed and includes a series of measures to ensure equal opportunities and benefits for men and women in health promotion activities, e.g., prevention of violence against women, provision of family-friendly delivery suites, establishment of confidential consultation areas in new health facilities, and effectively supervised births in health facilities. The measures also include awareness raising, capacity building, and training activities nationally and subnationally, including directly with communities on various topics relevant to the SDP during health facility construction and maintenance, ensuring women's participation in all, and providing gender awareness training to target groups. Sex-disaggregated data will be collected for continuous improvement of SDP management and for monitoring.

IV. ADDRESSING SOCIAL SAFEGUARD ISSUES

A. Involuntary Resettlement **Safeguard Category**: A☐ B ☐ C☒FI☐

1. **Key impacts**. The proposed district health facilities will be upgraded or constructed on land owned by the government or existing facilities by a partner organization (e.g., church) and will not require land acquisition, which is criteria in selecting subprojects. The investment project is therefore not expected to cause involuntary resettlement impacts. The policy component of the program has also been assessed, and it was confirmed that no involuntary resettlement impacts are associated with its policy actions. Due diligence was undertaken for the Biala District Hospital, which confirmed that if it were selected as a project site, works would be within the existing facility on government-owned land, with no additional land required.

Is broad community support triggered? ☐ Yes ☐ No

2. **Strategy to manage the impacts**. The program was classified *category C* for involuntary resettlement. Nevertheless, a resettlement framework was prepared to guide the screening of safeguards and assessment of all subprojects under the program

and to manage any unanticipated impacts.
3. *Plan or other actions*.
☐ Resettlement plan
☒ Resettlement framework
☐ Environmental and social management system arrangement
☐ Combined resettlement and indigenous peoples plan
☐ Combined resettlement framework and indigenous peoples plan
☐ Social impact matrix
☐ No action

B. Indigenous Peoples Safeguard Category: A☐ B☐ C☒ FI☐

1. **Key impacts**. No impact. Melanesians are the majority of the PNG population. The program concluded that the local people in the project area do not meet the ADB criteria of indigenous peoples (vulnerability and distinctiveness from the mainstream population). Nevertheless, a separate indigenous people framework was prepared to guide the assessment of subprojects. The policy actions were also assessed and were found not to be associated with any impacts on indigenous peoples. All project components will be implemented in a culturally appropriate, gender-sensitive, and participatory manner.

2. *Strategy to address the impacts* – not applicable.

3. *Plan or other actions*.
☐ Indigenous peoples plan
☒ Indigenous peoples plan framework
☐ Environmental and social management planning framework system arrangement
☐ Social impact matrix
☐ No action
☐ Combined resettlement plan and indigenous peoples plan
☐ Combined resettlement framework and indigenous peoples
☐ Indigenous peoples plan elements integrated into project with a summary

V. ADDRESSING OTHER SOCIAL RISKS

A. Risks in the Labor Market

1. Relevance of the project for the country's or region's or sector's labor market, indicated as high (H), medium (M), and low or not significant (L).
☐ unemployment ☐ underemployment ☐ retrenchment [L] core labor standards

2. **Labor market impact**. The investment project is expected to generate limited local employment during construction and operation (low).

B. Affordability: N/A

C. Communicable Diseases and Other Social Risks

1. The impact of the following risks are rated as high (H), medium (M), low (L), or not applicable (NA)
[L] Communicable diseases [L] Human trafficking ☐ Others (please specify)

2. **Risks to people in project area**. All contractors will be required to provide awareness training on HIV/AIDS and sexually transmitted diseases to construction personnel and surrounding communities in the investment project area.

VI. MONITORING AND EVALUATION

Monitoring and evaluation will ensure that no person affected by the SDP will be disadvantaged by the investment project component. The program administration manual outlines the poverty, social monitoring, and reporting requirements, such as ensuring that site selection prioritizes provinces with the greatest health needs, and that new facilities will provide the required range of health services relevant to poor and vulnerable groups. The design and monitoring framework includes sex-disaggregated indicators, and progress will be reported at least semiannually. One international gender specialist (intermittent) and one national (full-time) social development or communication specialist will support framework monitoring, and the implementation and monitoring of the GAP. These gender experts will work with national and subnational counterparts, and project staff and consultants to ensure gender-responsive training materials, manuals and reports, and sex-disaggregated data for all project activities, and will conduct gender training workshops. They will provide semiannual reports to the government and ADB on progress of the GAP implementation.

---

[a] Government of PNG. 2009. *Papua New Guinea Vision 2050*. Port Moresby.
[b] ADB. 2015. *Country Partnership Strategy: Papua New Guinea, 2016–2020*. Manila.
[c] Government of PNG. 2011. Household and Income Expenditure Survey: Summary Tables and Statistics. Port Moresby.
[d] Development Policy Centre. 2014. A Lost Decade? Service Delivery and Reforms in Papua New Guinea 2002–2012. Canberra.
[e] Government of PNG. 2016. Medium Term Development Plan 2 2016–2017. Department of National Planning and Monitoring. Port Moresby. Government of Papua New Guinea. Extrapolation in 2016 of 2011. National Census. Port Moresby.
[f] Government of PNG. 2016. *(Health) Sector Performance and Annual Review.* Port Moresby; PNG has 20 provinces, one autonomous region (Bougainville), and the National Capital District.
[g] ADB. 2017. *Report and Recommendation of the President to the Board of Directors: Proposed Programmatic Approach, Policy-Based Loan for Subprogram 1, and Project Loans to Papua New Guinea for the Health Services Sector Development Program.* Manila: Concept Paper.
[h] World Health Organization. Papua New Guinea Statistics Summary (2002-present) (accessed 12 February 2018).
[i] Government of Papua New Guinea, Department of Health. 2017. *2016 Sector Performance Assessment Report*. Port Moresby.
[j] Medecins Sans Frontieres (Doctors Without Borders).
[k] UNIFEM. 2010. *Ending Violence Against Women and Girls: Literature Review and Annotated Bibliography*. Suva. UNIFEM Pacific.